

FISCAL UPDATE News Article

Fiscal Services Division
September 10, 2015



STATE APPEAL BOARD MEETING - SEPTEMBER 2015

Meeting. The <u>State Appeal Board</u> met September 8, 2015, in Des Moines. The Board received information from Iowa Risk Manager Joseph Barry on an appeal to the <u>Iowa District Court</u>. The Board held a budget protest hearing in April 2014 regarding the Sioux County budget and sustained the budget with one correction. A citizen petitioned the court for judicial review of the Board's decision. The Iowa District Court denied and dismissed the petition on August 19, 2015.

The Board took the following actions:

- Approved approximately \$13,000 in general claims filed under lowa Code chapter 25.
- Denied approximately \$10,000 in general claims filed under lowa Code chapter <u>25</u>.
- Approved approximately \$20,100 for tort claims filed under lowa Code chapter 669.
- Denied approximately \$32.9 million for tort claims filed under lowa Code chapter 669.

There were four tort claims totaling approximately \$1.5 million withdrawn from the Board's consideration.

Settlement Approved. The Board approved payments that totaled \$590,000 to settle a claim filed against lowa Workforce Development (<u>IWD</u>) and the Department of Administrative Services (<u>DAS</u>). The case dates back to 2005. The Plaintiff had alleged race discrimination and retaliation related to failure to hire and termination claims. The case was tried in the lowa District Court by jury. The jury found for the Plaintiff on the retaliation claim. Judgment was entered on the jury verdict. In a separate judgment, the court awarded attorney fees, costs, reimbursement front pay, and reinstatement. Both judgments were appealed through the court system. The Office of the Attorney General negotiated a settlement to resolve the judgments and appeals, pending State Appeal Board approval. The Board approved payments as follows:

- \$80,000 less appropriate payroll deductions to the Plaintiff.
- \$112,000 without deduction or withholding to the Plaintiff.
- \$398,000 to Newkirk Zwagerman, P.L.C. for attorney fees and costs.

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